

**DRAFT MINUTES OF THE TOWN OF GILBERT, ARIZONA SELF-INSURED TRUST FUND FOR  
HEALTH INSURANCE BENEFITS BOARD OF TRUSTEES MEETING  
VIA WEBEX, GILBERT, ARIZONA  
July 22, 2020**

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**MEMBERS PRESENT:** Anthony Panepinto, Chairman  
Councilmember Jared Taylor  
Kelly Pfof  
Lindy Mitchell  
Mary Dellai

**MEMBERS ABSENT:** None

**STAFF PRESENT:** Kristen Drew, Deputy Chief People Officer - Benefits  
Donna Pedrera, Sr. Human Resources Analyst – via telephone  
Nathan Williams, Chief People Officer  
Carlos Lamkin, Budget Analyst  
Anthony St. George, Accounting Supervisor

**GUESTS PRESENT:** Stephen Doyle, Willis Towers Watson

**1. Call to Order**

Chairman Panepinto called the meeting to order at 5:03 PM.

**2. Roll Call**

Ms. Pedrera called roll and a quorum was declared.

**3. Communication from Citizens**

None

**4. Recap of Open Enrollment**

*Information and Discussion only.*

Ms. Drew shared that open enrollment went smoothly and reported a 4% migration to the BannerSelect plan. FY21 open enrollment data shows 697, or 58% enrolled in BannerSelect and 500, or 42% enrolled in Preferred. This is a 4% difference compared to FY 21 with 54% in BannerSelect and 46% in Preferred. There were also many questions regarding the domestic partner coverage and appreciation for the benefit. None have enrolled in this option, likely due to required documentation and the potential tax implications if going from single to family coverage due to a domestic partner.

**5. Update of COVID-19 Impacts**

*Information and Discussion only.*

Ms. Drew reviewed the Aetna report on Covid impacts to the plan. To date there is \$33K associated with Covid-related claims costs. We are not aware of any serious cases at this point. There is an increase in telemedicine utilization as many office visits are now virtual. This is in addition to utilization of 98point6. Ms. Drew pointed out that 14% of plan members are a risk for a higher impact of Covid, due to current comorbidities. Aetna's report shows eight confirmed members with Covid, however there is some delay in claims filing with state testing locations. Staff is tracking and contacting tracing on positive employee tests, and to date have 40 positive cases. Ms. Drew confirmed that employees are referred to a healthcare

provider for testing first, and if that is difficult due to testing criteria, they are referred to the state testing sites, or a contracted Banner urgent care facility. Our impact has been low to date, however we will continue to monitor activity related to Covid.

## **6. Review of Plan Dashboard**

*Information and Discussion only.*

Mr. Doyle reviewed the plan dashboard as of May 2020. Plan is running below budget at 91%, mainly due to the deferment of elective surgeries. We have more large claimants this year compared to last year, and the amounts of the claims are much higher. We have received \$2.8M in stop loss recoveries to date. Two of the large claims have ongoing costs, though not at the high amounts they have had.

## **7. Review of Financial Reports**

*Discussion and Possible Motion.*

Mr. St. George presented the unaudited financial statements as of June 30, 2020. The fund is stable with \$7.6M in Medical and \$1M in Dental.

Mr. Panepinto motioned to approve the financial statements as of June 30, 2020 and Ms. Mitchell seconded the motion. The motion passed 4 – 0.

## **8. Request for Wellness Coordinator LTA**

*Discussion and Possible Motion.*

Ms. Drew reviewed information regarding the Wellness Coordinator, which was approved in the FY21 budget with 2 caveats: one is the approval of the Health Trust Board, and the second is pending budget reviews in August and October. This item was discussed at previous meetings and staff was asked to gather ROI data from other municipalities. After consulting a regional wellness group, including peer communities, data is aggregate, and those municipalities focus on value of investment (VOI) in focus on prevention to manage claims, increased engagement and employee retention.

Ms. Drew reiterated that Gilbert does have actual data based on information shared by employees, resulting in six employees eliminating medications for co-morbidities such as diabetes and hypertension, conditions which can cause high claims and ongoing medical issues, particularly with Covid.

There was much discussion around the merits of the position and questions of funding, value to the community, and the salary range for the position. Staff reiterated that the funding for the position is from the health trust fund, including the \$83K reduction in administrative fees from Aetna, in combination with identified savings of \$70K in ongoing pharmacy cost savings. The value to the community is identified in maintaining plan premiums, which maintain the general fund contributions. The salary was benchmarked through the system all Town positions are benchmarked, and compared to both public and private salary data.

After continued discussion, staff was asked to defer the item and return with a further review of the salary of the position.

## **9. Staff Update and Future Agenda Items**

*Information and Discussion only.*

Ms. Drew reported that although staff had planned for an RFP for broker services, capacity was redirected to the transition of worker's compensation insurance. Staff has deferred the RFP process for some time prior to the next provider renewal.

The next meeting of the Health Trust Board will be October 21, 2020, and include agenda items such as Quarterly Financial Reports, Quarterly Plan Dashboard, and a request for a Wellness Coordinator.

#### **10. Approval of Minutes of Prior Meeting**

*Discussion and Possible Motion.*

Mr. Panepinto motioned to approve the minutes of April 22, 2020. Ms. Dellai seconded the motion. The motion passed 5 – 0.

#### **11. Adjournment**

Mr. Panepinto adjourned the meeting at 6:13 PM.

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Anthony Panepinto, Chairman

ATTEST: \_\_\_\_\_  
Kristen Drew  
People Team, Deputy Chief People Officer